



Memorandum of Understanding in Relation to Exclusive Supply of Furniture in Shaanxi Province

[06 June 2012 – Hong Kong] **Chinlink International Holdings Limited** (“Chinlink Group”, stock code: 0997.HK) and **Royale Furniture Holdings Limited** (“Royale Furniture Group”, stock code: 1198.HK) have entered into a memorandum of understanding (“MOU”) of which Chinlink Group has agreed to purchase furniture on an exclusive basis from Royale Furniture Group (other than any purchases made through retails) and that Royale Furniture Group has agreed to supply furniture on an exclusive basis to Chinlink Group (other than any sales made to distributors for retail sales only), in Shaanxi Province, the People’s Republic of China (the “PRC”).

In view of the growing Chinese economy and Chinese consumers’ constant search for higher quality furniture, as well as interior design and renovation services, the potential strategic alliance between Chinlink and Royale Furniture will explore design-build project based business opportunities with real estate developers in Shaanxi Province.

Mr. Li Weibin, Chairman of Chinlink Group, commented: “We are delighted to join hands with Royale Furniture. We believe the strategic alliance with a premium furniture brand in the PRC will enhance our market position and further expand our design-build project based businesses in the PRC market, thus strengthen our revenue base in the long-run.”

Mr. Tse Kam Pang, Chairman of Royale Furniture Group, said: “We are excited to have this opportunity to work together with Chinlink. The cooperation is anticipated to strengthen our competitiveness in the project business market and open new sales channels by packaging our furniture products with the interior design services of Chinlink .”

About Chinlink International Holdings Limited (0997.HK)

Chinlink International Holdings Limited is principally engaged in providing interior design and renovation services as well as furniture trading business in Hong Kong and Macau.

About Royale Furniture Holdings Limited (1198.HK)

Royale Furniture Holdings Limited is the top 3 panel-wood furniture brand in China and a pure China consumer play that captures China's income growth and rapidly rising urbanization. Royale Furniture offers a wide range of mid to high-end home furniture with its strong franchise network – over 2,000 POS across China.

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This press release is issued by DLK Advisory on behalf of Chinlink International Holdings Limited and Royale Furniture Holdings Limited respectively.

For enquiries, please contact:

DLK Advisory Limited

Maggie Lee (maggielee@dlkadvisory.com)

Peggy Chan (peggychan@dlkadvisory.com)

Michelle Shi (michelleshi@dlkadvisory.com)

Tel: +852 2857 7101